

# **Payphones: Where have they gone? How can you get them back?**

## **A fact sheet from the Indiana Office of Utility Consumer Counselor**

Finding public pay telephones in Indiana and throughout the nation has become much more difficult in recent years. Between 2001 and 2004, the number of payphones in Indiana declined from approximately 38,000 to fewer than 29,000. Nationally, those numbers dropped from just over 2 million to less than 1.4 million during the same time period.\* Explosive growth of cellular/wireless telephone use and partial federal deregulation of the payphone industry have been the primary reasons.

The Indiana Office of Utility Consumer Counselor (OUCC) and the Indiana Utility Regulatory Commission (IURC) recognize the need to keep coin-operated payphone service available for public use in areas where there is a compelling public need. As a result, the state has established the Public Interest Payphone (PIP) Program.

A Public Interest Payphone is one that is needed at a specific location in the interest of public health, safety and welfare, but that is not profitable for a payphone service provider to maintain at that location.

This program is designed to:

- Encourage payphone service providers, along with businesses that have public payphones on their premises, not to remove unprofitable phones if they serve an important public need, and
- Encourage the placement or replacement of payphones in areas where they are needed to protect public health, safety or welfare. Examples include:
  - Low-income residential neighborhoods where fewer households have telephone service, and
  - Remote or isolated areas where landline telephone access to emergency services could be needed (such as public parks, campgrounds and Interstate rest areas).

Formal requests for public interest payphones, as described below, are considered on a case-by-case basis by the IURC Consumer Affairs Division and must meet specific guidelines.

### **What Indiana consumers can do**

If a consumer wants to submit a request for placement of a new payphone, replacement of a removed payphone or continued availability of an existing public phone, he or she should complete a standardized PIP application form, available on the Internet at [www.in.gov/iurc/utilities/telecom/pip/pip\\_index.html](http://www.in.gov/iurc/utilities/telecom/pip/pip_index.html). Forms are also available by mail or fax, by contacting the OUCC or IURC.

A PIP application must be filed or sponsored by a governmental agency or entity. The state currently does not have funding to supply public interest payphones. However, when a need is determined, IURC staff will attempt to locate payphone services providers who are willing to provide payphone services to the area.

PIP inquiries and service requests will help the OUCC and IURC better monitor and understand the nature and scope of any unmet demand for public payphone service in Indiana. This will help maximize the benefits and minimize the costs of Indiana's Public Interest Payphone Program.

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## What payphone service providers can do

If a provider considers removing the only public payphone at a certain location, the company should review the flowchart and guidelines established by the IURC in its April 10, 2002 Order in Cause No. 40785. If the payphone meets certain criteria, the payphone service provider will be required to notify the IURC and also provide information on Indiana's PIP program to the premises owner and any people known to be interested in retaining public payphone service in that area. The provider should also direct premises owners and affected consumers to the OUCC or IURC for further assistance.

## For additional information

Consumers, business owners and payphone service providers who have questions regarding Indiana's PIP Program can contact the OUCC or IURC. The agencies can also provide PIP applications, as well as copies of the IURC orders creating the PIP Program and outlining its specific guidelines (Cause No. 40785, with orders issued on September 18, 1998 and April 10, 2002).

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\* Statistics regarding payphone availability in this fact sheet are from the Federal Communications Commission's *Trends in Telephone Service* report, issued on 6-21-05. Specifically, the report shows that the number of payphones in Indiana declined from 38,114 to 28,665 between 3-31-01 and 3-31-04. The full report is available on the FCC Website at:

[www.fcc.gov/Bureaus/Common\\_Carrier/Reports/FCC-State\\_Link/IAD/trend605.pdf](http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/trend605.pdf)

The Indiana Office of Utility Consumer Counselor (OUCC) is the state agency representing the interests of utility consumers and the general public in matters related to the provision of utility services. The OUCC is active in proceedings before regulatory and legal bodies and is committed to giving consumers a voice in the creation of utility service policy.

OpenLines publications are produced by the OUCC to educate consumers on their rights and responsibilities regarding utility services. All OpenLines publications, including fact sheets on various utility topics, are available at no cost on the OUCC Website or by calling the OUCC Consumer Services Staff.



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